BUILDING DEVELOPMENT COMMISSION Minutes of January 17, 2012 Meeting

Ed Horne opened the Building-Development Commission (BDC) meeting at 3:02 p.m. on Tuesday, January 17th, 2012.

- **<u>Present:</u>** Bernice Cutler, Hal Hester, Harry Sherrill, Kevin Silva, Ed Horne, Jon Wood, Tim West and Travis Haston
- Absent: Jon Morris, Elliot Mann, Zeke Acosta, John Taylor and Rob Belisle

1. APPROVAL OF THE MINUTES

The motion by Harry Sherrill seconded by Tim West to approve the December 20th, 2011 meeting minutes passed unanimously.

- 2. BDC MEMBER ISSUES AND COMMENTS No member comments.
- 3. PUBLIC ATTENDEE ISSUES AND COMMENTS

No public attendee comments.

4. BDC BUDGET SUBCOMMITTEE WORK

Patrick Granson began by discussing work for the FY13. Jim Bartl is preparing the draft memo to the budget subcommittee members. He also asked for budget sub-committee volunteers and shared member names from last year; Elliot Mann, Harry Sherrill, Wanda Towler, Will Caulder, Jon Morris, Trent Haston, Zeke Acosta. One replacement will be Will Caulder's position. We hope that John Taylor will continue serving as the General Contractor's representative. We are currently planning on three meetings that will last 2 – 3 hours long. The tentative dates are; Friday, February 10, 10-1pm, Wednesday, February 29 11am-2pm, Friday, March 16th, 10-2pm. The plan is that the BDC March 16th meeting be budget only. The final schedule may move around as the County Manager's office clarifies the FY13 budget process. Patrick confirmed with all members that he will contact Wanda Towler (as well as the other members) to request assistance with the FY13 budget process.

5. CSS SURVEY FEEDBACK

Ed Gagnon summarized the survey located in the BDC package that was distributed and discussed in the December 20^{th} BDC meeting. There weren't a lot of changes requested for the survey. This is a bi-annual survey we conduct to include three different versions of the survey. One is the over site survey for project managers, contractors, homeowners, builders, etc. The second goes out to Architects and Engineers called the professional survey. Then the inspection survey goes out to the trades (BMEP). The process at this point is to initiate the survey in 2 - 3 weeks. We are working on the database contacts to send the survey out and also make sure the data is clean and not duplicated. We'll then begin building the surveys both online and for hard copy mail out. Typically we give 6 - 8 weeks for people to respond and will follow-up as appropriate. Will have draft results ready in April and will then present to you the final results in May. For those of you affiliated with an association you can give you folks a heads up that a survey may be coming to them in hopes to increase their response rate. We'll be in touch with Rebecca prior to so that she can communicate to you what that message should be as well as the timeframe they should look to get the survey. There were no questions posed by the members of the BDC.

6. CRWG FINAL REPORT TO THE BDC

Gene Morton discussed the CRWG final report. We are happy to report the Cost Recovery Work Group (CRWG) has completed their work. As a reminder to all of us, this was a spin off from the FY12 budget development process, where the BDC requested the Department assemble a private sector-Department task force to address issues such as; does the Fee Ordinance work when we have no auto cost calculator (as used in residential) to match up the permit fee, and should the Mega project permit fee discount be reduced from 25%, or even eliminated, and are our costs on small projects and "change-out" work appropriately (or adequately)

addressed by the current permit fee structure? At the initial meeting of the Task Force we asked for any additional items which expanded the list to 20 topics in total.

Between September 13th and December 16th, the CRWG worked through all of the topics, clarifying questions on some, agreeing to disagree on some, and ultimately, agreeing on 14 changes of various types. The final report emailed to you last Friday includes four (4) parts; the cover memo, summarizing the proposed changes, a two page topic of conclusions and action on each summary, an eighteen page discussion of each topic in greater detail, with recommendations and last was a meeting attendance summary. The seven meetings produced agreement on 14 proposed changes. Some were regarding department process; some requires ordinance language changes as well as some changes to the fee ordinance itself. Specific items having to do with process technology and ordinance language changes are as follows:

Process, technology or ordinance (non-fee) language changes:

- Construction Value: (#7) change all references from "construction cost" to "construction permit value".
- Small Project Permits: (#3) add note to bottom of appropriate permits on their print out, advising the customer "did you know you can save 25% of your permit cost on a residential change out by using TIP?"
- Multi-Trade Insp.: (#13) change technology to hold multi-trade inspection requests in queue until all multi-trades are ready so that they can be inspected in one trip; as well as to offer the option of an added cost early single trade inspection for those customers that do not want to wait.
- Cost of Incremental Service: (#5) add description of a reasonable "inspection count" for projects that, after permit issuance, break their work down into smaller than normal inspection increments.
- Small Project Credits: (#11) redefine small project threshold as \$200 permit or \$20,000 construction cost.

Owner Inspection Counts: (#18) "owner-as-contractor" permits to stipulate inspections count included in fee.

Fee Ordinance changes:

- Meck-SI: (#16) increase special inspection registration fee from \$99 to \$125; charge for extra special inspection preconstruction meetings @ \$115/hr.
- Owner Equipment: (#4) where owner equipment value is \$500k or greater, construction cost to incorporate 20% of the equipment value in the construction cost estimate.
- <u>Multi-Trade (MT) Insp.</u>: (#13) where multi-trade inspections are possible requiring all inspections ready at same time (or hold in queue until all ready). Offer contractors an early single trade inspection trip with added charge.
- Upfit Auto Cost Calculator: (#1) propose an auto cost calculator for up fit projects (similar to the renovation cost calculator) using construction cost, square footage, and trades involved to determine "fair" minimum permit cost. Study calculation methods and propose a regimen for the BDC's agreement.
- Breaking Permitted Projects Apart: (#5) after a permit is issued, if the permit holder wishes to break the project apart into smaller delivery components, charge by the hour for office and field staff time required to revise permits and inspection process accordingly, to accommodate changes in the project delivery strategy.
- Coordinating Project Submittals: (#8) where the absence of coordination by the owner's team requires Department to perform coordination, charge by the hour for all office or field staff time involved.
- County Fire Marshal Plan Review & Inspection Fees: (#17) creates various MCFM charges to align with the Charlotte Fire Department plan review & inspections service fee schedule.
- Owner Inspection Counts: (#18) when the owner is the contractor, permit fee basis to be same as contractor, and include an appropriate allotment of inspections for various scopes of owner-as-contractor work. If owner exceeds inspection count, the project will incur an added charge per inspection.

• Note: the public reps disagreed on the charge to homeowners per insp; 2 advocating for a \$40-50 range. The Department intends to deliver a draft RFBA to the BDC in the February meeting, to consider a vote of support, in either the February or April meeting. The BDC had 4 members who participated in many if not all of the meetings, including; Zeke Acosta, Travis Haston, Hal Hester, Ed Horne.

7. CHANGES TO PRELIMINARY REVIEW POLICY

We will schedule another follow up meeting to work on a final outline and strategy for the preliminary review policy. As we discussed in the November and December meeting we are looking for ways to make these scheduled events more productive for our customer and for staff. What we are finding is that some of the preliminary reviews that we are holding they do not have a code analysis of their project. One of the proposed changes is to have a written code analysis submitted to reviewers

before their scheduled review date. This will help the problem that we are experiencing when AE's that do not have the written code analysis for the reviewers to prepare for the preliminary review meeting. We have some technology improvements that have to be built in to make this more of a formal event vs. an informal event which will help. We will come back to you in a future meeting to bring you additional information. One of the things besides the formal written code analysis being submitted is coming up with a better way of condensing the Appendix B summary sheet, helping them fill that out and helping us doing better about the project information and the existing conditions. Going back into our web page and retooling to help industry in the AE community and the design professionals to understand what the expectations will be. We hope to have something in late February

8. QUARTERLY REPORTS

- Technical Advisory Board Quarterly Report Lon McSwain reported on the Technical Advisory Board held its meeting on Wednesday, November 16th. There were no items submitted for consideration. There were 6 members present and 10 members absent, minutes were approved. Willis Horton and Lon McSwain gave a report on the IgCC final adoption hearings in Phoenix. Member comments; Will Weaver commented that the 2012 meeting requires a follow-up to ensure the building is performing as designed or the certification will be pulled. Another comment was made about adopting a more aggressive energy code.
- **Consistency Team Report** Lon McSwain reported that a memo was sent out on the revised code transition schedule as well as a memo out about changing the CO alarm regulations enacted by the BOCC and the state legislature. Building had 3 consistency team meetings with 18 residential and 7 commercial topics covered. Electrical had 2 meetings with 15 topics covered. Plumbing/Mechanical/FuelGas had 3 meetings with 17 plumbing, 5 mechanical and 3 fuel/gas topics covered.
- Code Compliance Report Joe Weathers reported a change to the format where we have the code compliance report the statistics from the previous quarter vs. the new quarter, as far as jobs not ready, they are up both in electrical and plumbing. Electrical was up 9% vs. last quarter, Plumbing up 12%, Building and Mechanical were both down. Building down 12% and mechanical not ready went down 3%. Regarding the rough and final percentage split, building rough were at 32.12% which is down 1.6% from last quarter, final roughs were at 27.27% which is up 4.5%, electrical roughs were at 14.33% which is up greater than ½% and the finals were at 64.8% which is down less than 1%. Mechanical roughs were at 22.73% which is down 1.2% and the finals were at 66.89% which is down 1%. Plumbing roughs were at 26.5% which is down 1.3% and the finals were 47.21% which is up approximately 4%.
- Commercial Plan Review Report Patrick Granson reported that commercial plan review has an 83% pass rate on first reviews, 85% pass rate on second reviews. Pass rates on first reviews by trade, building at 88%, electrical at 88%, mechanical at 86% and plumbing at 81%. Most common defects for building is accessible routes, AE seal, use/occupancy classification, continuity rated assembly and type of construction. Electrical was load calculations, over current & AIC protection, service conductors and over current feeders. Mechanical was ventilation/exhaust, equipment approval, duct construction & materials, kitchen exhaust & MUA systems. Plumbing was vent stacks/main vent, water heater/boilers, drain pipe install, cleanouts and material-tables. First review use of approved as noted at 30% by all trades on the average; maintained at 30% from last quarter. The biggest users; City & County Fire (81%). Critical path users were building (21%), electrical (13%), mechanical (17%), plumbing (14%) and zoning (8%). All were down 5-7% except for mechanical is at 17%.

8.1 Code Transition – Lon McSwain reported there has been a new change in the code requirements as far as the implementation date. At the December meeting in Raleigh at the BOCC deferred all codes till June 1st, 2012. As far as the drop dead date; however, since the legislature wrote a law that states that the residential and energy codes have to start on March 1st, they are going to start on March 1st. All the other codes will remain June 1st. The energy code books will most likely be available by March 1st; the Residential books will not be available by March 1st. Lon recommended to the Department after conversation with Gene that we continue enforcing 2009 Residential until such time as we have books. Spoke w/ Chris Noles with the Department of Insurance the Residential books have not gone back yet to the printer and there was also a mix up with the electrical portion of the residential code. The BOCC voted to put the electrical provisions of residential in the residential code, ICC cannot print them that way due to copyright law. This is still undecided which is

again, holding up the printing of the books. We are currently working on a memo to get out to the public and let them know of the changes.

9. QUARTERLY BDC BULLETIN EXERCISE

Previous bulletin topics:			
January, 2010	April, 2010	July, 2010	October, 2010
Reorganization focus on customer centric service	Fy11 budget presentation available	Expanding TIP AE Pass Rate update	Why Meck County is a project asset
Nissan ID's Meck process as best practice	Green Permit Rebates suspension	Web tools for contractors	Nissan ID's Meck process as best practice
Trades Internet Permits (TIP)	Technical Advisory Board startup	Current inspection service levels 2010 Reorg Field impact	AE Pass Rate success Progress on reorg plan Field service improvements
Reorganization focus on customer centric service	Fy11 budget presentation available		
January, 2011	April, 2011 BIM-IPD code change public hearing	July, 2011 Update on Senate Bill 22	October, 2011
TAB purpose and customer participation	Cost Recovery Work Group startup	2012 NC Building Code transition stipulated by BCC	Carbon Monoxide alarm requirements
Technology development and budget baseline	Website redesign	TU/LCU/CC/TCO/CO changes in process and fees	Cost Recovery Work Group status
Status of EV introduction	EPM development status	NACO awards	2012 NC Building Code transition
Elec J-man Program Pilot	Permit activity and related inspect response times	AE Pass Rate Incentives status	Changes in temporary utility
Changes to wwwmeckpermit.com January, 2012	Impact of Senate Bill 22	Fy11 key data points	process
Code challenges for 2012 (TRANSITION/CONSISTENCY)			
CRWG final report			
EPS-EPR installation-method of improving customer service			
Permit revenue upward trend			
Website redesign makes it more user friendly			

10. DEPARTMENT STATISTICS AND INITIATIVES REPORT Permit Revenue

- December permit (only) revenue- \$1,038,733, compares to November revenue of \$1,034,529.
- FY12 budget projected monthly permit revenue; (1) (2) $12,000,001/12 = 1,000,083 \times 6 = 6,000,001$.
- At 12/31/11, YTD permit rev of \$7,414,459 is above permit fee rev projection by \$1,573,585 or 26.94%

<u>Note 1</u>: prior to this month, we've been using \$11,738,711 as the FY12 permit revenue projection. This reflected the number presented to the full BDC in March, 2011. However, the final expense number approved by the BOCC included adjustments to fringe benefits levels calculated by SOI, which were lower than we estimated. TO balance the budget matching the SOI expense changes, the budgeted Permit Revenue was lowered \$56,960, to \$11,681,751.

<u>Note 2</u>: indicates revision of original FY12 permit revenue projection, accounting for 319,250 added from RFBA approved by BOCC 0n August 2; 11,681,751 + 319,250 = 12,001,001.

Construction Value of Permits Issued

- December total \$142,628,302, with YTD total of \$1,289,660,454
- FY11 Total at December 31 \$673,345,745
- FY12 ahead of FY11 by \$616,314,709 or 47.79%

Permits Issued

	November	December	3 Month Trend
Residential	2928	2299	2928/3138/2928/2299
Commercial	2148	2322	2275/2419/2148/2322
Other (Fire/Zone)	396	398	408/374/396/398
Total	5472	5019	5611/5931/5472/5019

- Residential down 21%__; commercial up 7%__; total down 8%__
- SF detached new construction permits YTD at 1050 vs. 885 at 12/31/2010, so up 15.7%

Inspection Activity: inspections performed

Insp. Req.	Nov	Dec	Insp. Perf.	Nov	Dec	% Change
Bldg.	4156	3716	Bldg.	4113	3681	10.5%
Elec.	5259	4764	Elec.	5236	4816	8%
Mech.	3001	2737	Mech.	2981	2787	6.6%
Plbg.	2169	2050	Plbg.	2149	2016	6.2%
Total	14,784	13,376	Total	14,479	13,394	7.5%

- Bldg. down 10.5%, __ Elec. down 8%, __ Mech down 6.6%, __ Plmbg down 6.2%
- Overall average position change 7.5%
- Inspections performed were 108% of inspections requested

Inspection Activity: inspections response time

Insp. Resp.	OnTime %		Total % After 24 Hrs. Late		Total % After 48 Hrs. Late		Average Resp. in Days	
Time	Nov	Dec	Nov	Dec	Nov	Dec	Nov	Dec
Bldg.	91.6	93.4	94.6	95.3	97.1	98.1	1.19	1.15
Elec.	94.3	96.2	95.4	96.7	98.7	99.6	1.13	1.08
Mech.	86.8	93.9	89.8	95.1	92.9	98.5	1.36	1.13
Plbg.	97.9	96.5	98.3	97.1	99.4	99.3	1.05	1.07
Total	92.5	95.0	94.4	96.0	97.2	98.9	1.18	1.11

- All trades improved except plumbing which was down 2%
- Overall average position relative to 85-90% goal range___ at 95%

Inspection Pass Rates for December, 2011

OVERALL MONTHLY AV'G @ 85.72%, compared to 85.36% in November

	<u>Bldg:</u>	Nov – 78.16% Dec – 79.99%	-	<u>Elec:</u>	Nov 84.17% Dec 83.70%
	Mech:	Nov. – 88.87% Dec. – 88.70%		<u>Plbg:</u>	Nov. – 93.05% Dec. – 93.25%
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• Overall average position improved 5%

CFD Inspection Pass Rate for December, 2011

CFD overall inspection pass rate stats were not available as of the meeting date. Once this information is provided to Code Enforcement, Rebecca Simcox will distribute to BDC members.

OnSchedule and CTAC Numbers for December, 2011

CTAC:

- 143 first reviews
- Projects approval rate (pass/fail) 72%
- CTAC was 47% of OnSch (*) first review volume (143/143+129= 272) = 47.43%
 *CTAC as a % of OnSch is based on the total of only scheduled and Express projects

OnSchedule:

- June, 10: 153 1st rev'w projects; on time/early 89.71% all trades, 91.59% B/E/M/P only
- July, 10: 140 1st rev'w projects; on time/early 87% all trades, 90% B/E/M/P only
- August, 10: 159 1st rev'w projects; on time/early 87% all trades, 90% B/E/M/P only
- September, 10: 148 1st rev'w projects; on time/early 85% all trades, 83% B/E/M/P only
- October, 10: 158- 1st rev'w projects; on time/early 92% all trades, 90% B/E/M/P only
- November, 10: 154- 1st rev'w projects; on time/early 94% all trades, 94.25% B/E/M/P only
- December, 10: 149- 1st rev'w projects; on time/early 74.5% all trades, 80% B/E/M/P only
- January, 11: 137- 1st rev'w projects; on time/early 82.65% all trades, 83.5% B/E/M/P only
- February, 11: 136- 1st rev'w projects; on time/early 86.6% all trades, 88% B/E/M/P only
- March, 11: 185 1st rev'w projects; on time/early 85.75% all trades, 84.5% B/E/M/P only
- April, 11: 147- 1st rev'w projects; on time/early 78.37% all trades, 84.8% B/E/M/P only
- May, 11: 196- 1st rev'w projects; on time/early 98.5% all trades, 85.5% B/E/M/P only
- June, 11: 251- 1st rev'w projects; on time/early 95.5% all trades, 94.2% B/E/M/P only
- July, 11: 175- 1st rev'w projects; on time/early 92.25% all trades, 93.75% B/E/M/P only
- August, 11: 238- 1st rev'w projects; on time/early 95% all trades, 94.75% B/E/M/P only
- Sept. 11: 219 1st rev'w projects; on time/early 95.25% all trades, 96.5% B/E/M/P only
- October, 11:176-1st rev'w projects; on time/early-96.75% all trades, 96.25% B/E/M/P only
- November, 11:184 -1st rev'w projects; on time/early–91.75% all trades, 93.25% B/E/M/P only
- December, 11:143 -1st rev'w projects; on time/early–95% all trades, 96% B/E/M/P only

Booking Lead Times

- OnSchedule Projects: for reporting chart posted on line, on December 23 showed
 - 1-2 hour projects; at 2-3work day booking lead time, except MP at 8 days & Health at 5 days

- 3-4 hour projects; at 2-4work day lead time, except MP at 10 days and Health at 5 days
- 5-8 hour projects; at 3-4days lead time, except health at 10 days and CMUD at 11 days.
- CTAC plan review turnaround time; 2 work days lead time, except building at 3 days.
- Express Review booking lead time was 4 work days for small projects and 4 days for large

Status Report on Various Department Initiatives

Electronic Permitting Homepage

Melanie Sellers shared that we now have a new design for the home page. After meeting with the focus group again today 1.17.12; we currently have their suggestions to begin making the changes. We are very close to being finished and posting to the web site. Patrick Granson shared in summary; we are looking to create a single button. Melanie revamped the A/E Tools page which looks very nice. The plan is to move our electronic portions and tie those together with our web site service delivery tools.

EPS-EPR Installation Schedule for January 27

Sandra Broome-Edwards stated that the installation is at 100% overall for code development and hardware placement with the overall project the percentage is 93%. The 7% that's not complete is user acceptance testing which we are in the last week of user acceptance testing so we are on schedule to go live in the production with the code on January 27th at 5:00 p.m. which allows 48 hours to benchmark it for completion so that January 30th if there are any flaws we are able to roll it back to where we were at 5:00 p.m. on January 27th but at this point everything is on schedule to move forward. Patrick Granson shared that this has been in development for over a year and there has been a tremendous amount of effort from staff (hours, dedicated, testing, retesting). There have been 4-5 revision documents that we plowed through to make that work. Jim has done a tremendous amount of work for that. A lot of this is Jim's vision; he has done a fantastic job. Most of our staff is trained, we've had the train the trainer type events and they have worked a lot of hours into the work. The success is due to staff's dedication and hard work in making this a success story. The effort we have seen from staff is tremendous. It's important that I share this with the group as I really appreciate the staff's hard work.

Report on Fire Protection Service Districts

Mark Auten provided a brief update on Fire Protection Service Districts. Funding fire departments that provide service to the unincorporated counties has been difficult for a number of years. There has not been an equitable distribution of subsidies for these fire departments. As service costs increase the current funding mechanism has not been able to sustain the increase. These fire departments struggle to meet budget and maintain required ISO ratings. This is a long standing problem. The Department w/ Jim Bartl has worked on solving this three times in the last 15 years. The proposal contends the current VFD funding strategy is unsustainable and inequitable. The subsidy does not fully fund service costs and the subsidy is not related to cost of service or service demand. The subsidy burden is inequitable. The City and Towns residents pay most of the current ETJ fire service subsidy and ETJ residents pay next to nothing.

A FPSD or Fire Protection Service District is really nothing more than a geographic area of the county taxed to finance fire protection to district residents. The county is proposing 5 Fire Protection Service Districts; one for each of the towns ETJ Cornelius, Davidson, Huntersville, Mint Hill and one for Charlotte's ETJ. This will incorporate approximately 46,000 residents and 117.5 square miles. Currently this will provide funding to the 15 fire departments that provide service to these residents. It appears the tax rate will vary from 4.5 cents to 7/100 cents based on level of service and property value of the fire district. The BOCC has approved two critical steps in the process and will need to approve the following steps to enact this plan.

- Feb 21, 2012; BOCC adopts rate limiting resolution, and set public hearing
- <u>April 3, 2012</u>; BOCC holds public hearing and adopts resolution(s) setting up districts
- By May 8, 2012; Budget proposals complete and delivered to BOCC for each FD service district
- June 5, 2012; BOCC votes on setting the tax rate of each FD Service District to cover the full cost of service

Once these steps have passed, the proposal has many benefits for Mecklenburg County citizens and the BOCC. It creates an effective vehicle for supporting fire protection service as VFD service providers change. As VFDs C:\Users\simcorw\Desktop\11712 BDC Minutes.docx

transition to greater use of full time or part time staff, to support fire protection ISO grading, this strategy provides a strong budget foundation to deal with the related expenses. As the ETJ's build out, each service district has greater ability to plan service demand response needs. It provides equity of costs throughout the entire service district.

Manager/CA added comments

- No manager added comments.
- Code Administrators:
 - Joe Weathers stated as part of our ongoing efforts for outreach and education, the electrical wing will be the headliners at the contractors association meeting this Thursday night where we will present the updates to EPS-EPR as well as other updates as far as the department is concerned. We try to attend those meetings once a month and a couple of times per year we are on the agenda as the headliners.
 - Lon McSwain recognized Jeff Vernon with the department that in his own time put together three classes for the industry and for the code officials on the upcoming 2012 Building Code which have been highly successful.

Future BDC Agendas

- <u>February</u> BDC meeting tentative topics
 - Demo Fees Ordinance change (tentative)
 - RFBA on CRWG work (tentative)
 - Web page maintenance strategy
 - March BDC meeting tentative topics
 - Entire meeting devoted to FY12 budget
 - other

Adjournment

The January 17th, 2012 Building Development Commission meeting adjourned at 4:02 p.m.

Note: The next BDC Meeting is scheduled for 3:00 p.m., Tuesday, February 21st, 2012.